

VZCZCXRO1724  
PP RUEHROV  
DE RUEHTV #1221/01 1561337  
ZNY CCCCC ZZH  
P 051337Z JUN 09  
FM AMEMBASSY TEL AVIV  
TO RUEHC/SECSTATE WASHDC PRIORITY 2083  
INFO RUEHXK/ARAB ISRAELI COLLECTIVE  
RUEHC/DEPT OF AGRICULTURE WASHDC

C O N F I D E N T I A L SECTION 01 OF 03 TEL AVIV 001221

SIPDIS

DPT FOR NEA/RA AND NEA/IPA  
AMMAN FOR ESTH - BHALLA  
USDA FOR FAS/OCBD

E.O. 12958: DECL: 06/04/2014

TAGS: ECON EAID KWBG IS

SUBJECT: TRILATERAL WATER WORKING GROUP MEETING, APRIL 21,  
2009

Classified By: ECONOMIC COUNSELOR DAVID R. BURNETT, REASONS: 1.4 b/d

¶11. (C) Summary. With the U.S. as chair, the Trilateral Water Working Group (TWWG) met in Tel Aviv April 21, to facilitate technical discussions on current Israeli and Palestinian water issues. This was the first meeting held since June 2008. The discussion revolved around the general lack of water in the region and updates from both sides on specific water projects. The Palestinian Water Authority requested that the Government of Israel grant fast track project authority, to which the Israeli side seemingly agreed.

¶12. (C) Both the Israeli and Palestinian water authorities reported that they are short of water following five years of substandard rainfall and increasing demand. The Israeli participants reported that there is a real possibility that water may be unpredictably shut off for periods of time during the upcoming summer. Several general themes emerged during the meeting. The Palestinians cited a recently released World Bank water report on issues involving water projects in the West Bank. The PWA noted that all decisions made by the Joint Water Committee (JWC) must pass through the Israeli civil administration (COGAT) for implementation, causing delays and cancellations of projects, and that COGAT's role in the process is not specified in the Interim Agreement. The Israelis noted that they continued to provide Palestinians the amount of water agreed in the Interim Agreement, even while they were forcing cuts on their own population. Israel lamented the Palestinians, & lack of ability<sup>8</sup> to use water more efficiently, and repeatedly expressed concerns about sewage handling in Hebron and the potential impact that untreated wastewater might have on shared ground water reserves. Although final details remain to be confirmed, there was general agreement that &humanitarian<sup>8</sup> water cases raised by the Palestinians, particularly in the coming summer, would be processed on a &fast track<sup>8</sup> basis by the Israelis. The Palestinian and Israeli participants agreed to consider sending a joint request to the U.S. to re-instate funding for a sewage treatment plant in the southern West Bank. Both sides also agreed that they wanted the JWC to meet more frequently, though they neglected to set a schedule for such meetings. The next meeting of the TWWG is tentatively set for the week of October 5-11. This cable was cleared by ConGen Jerusalem.

End Summary.

Water Shortage Continues

¶13. (C) Trilateral Water Working Group (TWWG), comprised of Israeli Water and Sewage Authority (IWA), Palestinian Water Authority (PWA) and USG (chair) representatives met in Tel Aviv on April 21. NEA/RA D/Director Conny Arvis led the USG delegation, accompanied by Embassy Econ Counselor, ESTH

officer and USAID officers, and ConGen Economic Officer. The meeting came just one day after the World Bank released a report entitled, &Assessment of Restrictions on Palestinian Water Sector Development,<sup>8</sup> a study performed at the request of the Palestinian Authority (PA). The report is critical of Israeli-imposed restrictions on water access, citing data indicating Israelis receive four times more water per capita than their Palestinian counterparts. The report also cited the lack of effective management in the PWA. In bilateral discussions prior to the TWWG, Israeli Water Authority officials said they had seen the report in draft and had offered to the World Bank data corrections and clarifications, none of which the Bank adopted. The report was mentioned only briefly by the Palestinian participants of the TWWG and not at all by the Israeli participants. (Note: ConGen later learned that this lack of emphasis of the World Bank report was the outcome of a specific request by the IWA and COGAT to the PWA just prior to the meeting.)

¶4. (C) After opening remarks by all three sides, PWA head Dr. Shaddad Attili described the water situation in PA areas as a severe shortage, now extended for several years. He stated that the Interim Agreement signed in 1994 was only intended to be in effect for 5 years, and fourteen years later the terms are no longer working effectively. He noted that COGAT's role in the West Bank was not specified in the Agreement (COGAT approves, denies, or delays PWA water projects in the West Bank that have already been approved by the JWC). Under the Interim Agreement Article 40, 118 million cubic meters (MCM) per year is allocated for the PA, with an additional 70-80 MCM earmarked as &future needs<sup>8</sup>. Attili sought closure on prior discussions of putting water

TEL AVIV 00001221 002 OF 003

projects on a fast-track mechanism since they address basic humanitarian needs. He quoted findings by the PA (which roughly compare to the World Bank report) that the total water available in the West Bank amounts to an average of 57 liters per capita per day (lpcd), where the global minimum standard (UNDP developed) is 100 lpcd. He said that an additional 38 MCM per year were required to meet this standard.

¶5. (C) Attili underscored the difficulties of making progress in light of the current political situation, which requires the PWA to get approval from the IWA for all permits for water wells. He said he has several donors willing to invest in water projects within the West Bank, but cannot move forward on them without approval from COGAT. Attili also addressed sewage issues in the West Bank. He criticized settlements such as Ariel for not being held to the standards the Israeli Ministry of Environmental Protection requires within Israel, and noted that effluent from these settlements is polluting the aquifer that supplies both Israel and the West Bank.

¶6. (C) Attili welcomed the newly released World Bank report and remarked that the Israeli government had criticized it. He went on to say that he welcomed both the criticism of Israel for not supplying adequate amounts of water to the Palestinian territories, but also the criticism of the PA for its part in mismanagement of existing water resources. He said that this meeting is not the forum for blame, but a place to find solutions. Attili concluded by stating he desires to build a strong water sector within the PA, but at this point is unable to move beyond crisis management.

#### ----- Israeli Response and Assessment

¶7. (C) IWA head Dr. Uri Shani responded by emphasizing that the severe water shortage was affecting everyone in the region. He said that the IWA had cut water for all purposes other than domestic use by 60-70%, but had not made any cuts to the water supplied to the PA. He affirmed that it is important to Israel to hold up its side of the Interim

Agreement, and he reiterated that the IWA had cut water resources to all &customers<sup>8</sup> except the PA. (Note: Attili took issue with the characterization of the PA a &customer,<sup>8</sup> stating &we share rights to the aquifer.<sup>8</sup> End Note.)

¶ 8. (C) Shani stated that managing the water crisis this year is very complicated. Due to the severe shortage, he warned that, particularly this summer, there may be supply breaks to cities within Israel and also perhaps in the West Bank. Israel has no water reserves. He views cooperation with the PA as a number one priority and vowed to honor commitments. Furthermore, he stated that Israel is investing close to 25 billion shekels (approximately six billion USD) to bring the water sector to a level that can &compete in this climate,<sup>8</sup> noting the trend towards a drier regional climate that necessitates investment in desalination technology. Shani agreed that water is a humanitarian issue, and told the group that he believes the only solution to this problem is more investment. He suggested that the humanitarian issues are more accurately described as problems with delivery of the resource rather than supply of the resource, citing a list of 30 projects that have been approved by the JWC but that have yet to be implemented by the PA. He also cited significant losses (theft, unbilled, and leakage) in the PA delivery system.

¶ 9. (C) Shani also addressed sewage and wastewater management in the PA, noting that this resulted not only in pollution of the shared environment but was reclaimable water for agricultural use that was not being utilized. He said that Israel has a program in preparation to help the Ariel situation, but commented that the problem in East Jerusalem was more complicated. Both sides lamented the loss of \$50 million in funding that was to be provided by USAID to build a wastewater treatment plant for the effluent currently flowing freely in Hebron Stream, that ultimately enters Israel and endangers the mountain aquifer. The funding was cancelled following the establishment of the Hamas-led government in 2006, and diverted to other, smaller projects within the West Bank and to humanitarian relief. Both parties asked whether a joint high-level request (e.g., from PA Prime Minister Fayyad and Israeli Prime Minister Netanyahu to the US Congress or the new US administration) might help restore funding for this priority. The chair agreed to

TEL AVIV 00001221 003 OF 003

investigate this option and get back to the parties.

¶ 10. (C) Gary Cohen, chief of the infrastructure division of USAID/WBG, gave a brief update on USAID water assistance projects in the West Bank. Cohen said USAID hopes the PA can begin to move out of crisis mode and toward a mode of normal infrastructure building. He affirmed USAID plans to purchase 10 pumps for non-operational wells within the PA, a purchase to be made as soon as possible. Cohen also cautioned that part of the reason the PA has a shortage on pumps is that the existing pumps were not properly maintained, which again underscored the lack of management capacity of the PA..

Next Meetings

-----

¶ 11. (C) The last meeting of the JWC took place in October 2008, although the Joint Technical Committee has convened more recently. JWC meetings were delayed due to Operation Cast Lead (the December Gaza incursion) and administration changes on both sides, but now both sides of the JWC have expressed a desire to meet more frequently. No meeting date was set, but Attili and Shani agreed they would discuss the schedule in the near future. All parties agreed to aim for semi-annual TWWG meetings; the next one tentatively set for the October 5-11 timeframe.

Comment

-----

¶ 12. (C) The TWWG, and its associated bilateral mechanisms such as the Joint Water Committee and the Joint Technical

Committee, were created as an enclave where technical discussions could solve water allocation issues within the framework of the Interim Agreement. That agreement was expected to last no more than five years. Fourteen years have already passed, a fact not lost on new Palestinian water lead, Shaddad Attili, who also perceives that developments on the ground with respect to access to water for his people are not positive. Throughout its existence, the TWWG has managed to accomplish two separate tasks: (1) it has provided an umbrella under which Palestinians and Israelis could come together to solve imminent, practical, water provisioning issues together, and (2) it has provided an ongoing means by which experts from both sides could form the professional and human contacts necessary to work with each other across political and physical divides. The work of the TWWG is critical, but it is likely to be impaired if there is no answer provided relatively soon to the question of where and when the broader question of water rights will be addressed.

End Comment.

MORENO#

\*\*\*\*\*  
Visit Embassy Tel Aviv's Classified Website:  
<http://www.state.sgov.gov/p/nea/telaviv>  
\*\*\*\*\*  
MORENO